

CHRONOLOGY

Jumbo Mining Company

Drum Mine

M/027/007

(revised March 29, 1993)

March 8/85 ?

Bureau of Land Management (BLM), Bureau of Water Pollution Control (BWPC), Department of Health (Health), Division of Oil, Gas and Mining (DOGM), Division of Wildlife Resources (DWR), Jumbo Mining Company (JMC), Western States Minerals Corporation (WSMC)

Date Received

July 8, 1983	Original Drum Mine MRP NOI Application, Western States Minerals Corporation.
July 29, 1983	DWR forwarded Drum Mine plan to Southern Regional Office in Cedar City.
August 15, 1983	DOGM receives copy of BLM Environmental Assessment.
September 6, 1983	WSMC 8/29/83 letter responding to DOGM review comment.
September 7, 1983	DOGM letter to WSMC describing plan deficiencies.
September 12, 1983	WSMC letter stating acquisition of Yellow Cat Claims from Nevada Resources, Incorporated.
September 13, 1983	WSMC response to DOGM 9/7/83 letter.
September 20, 1983	WSMC additional responses to DOGM 9/7/83 letter.
September 21, 1983	WSMC letter addressing alleviation of sediment generation from the SW rock dump. WSMC letter addressing segregation of dumped waste rock.
September 27, 1983	WSMC letter regarding phone conversation of 9/24/82 (?83?). WSMC increased cost of spreading topsoil as DOGM suggested.
September 30, 1983	DOGM grants tentative approval.

October 3, 1983	Bond of \$117,000 posted by WSM with Chandler Associates.
October 11, 1983	WSMC letter notifying DOGM of bond and initial construction work.
October 13, 1983	Air Quality Notice of Intent to Approve.
October 17, 1983	DOGM letter requesting WSM corporate seal be affixed to bond.
October 24, 1983	Bond with corporate seal received.
November 14, 1983	DOGM memo recommending Board approval of amount and form of surety.
November 15, 1983	Receive copy BWPC construction permit dated 10/4/83.
November 15, 1983	BLM approval of WSMC Plan of Operations with the addition of the 16 items listed.
November 15, 1983	Water Rights approval of WSMC's Temporary Change Application granted.
November 17, 1983	Board approves amount and form of WSMC's surety.
November 28, 1983	DOGM letter notifying WSMC of final approval.
February 21, 1984	MRP Amendment to add - a waste rock leach dump, a new 13.25 acre disturbance, 10,700 cu yds topsoil to be removed and stockpiled, @2,000,000 tons waste rock to be leached.
May 9, 1984	DOGM letter describing deficiencies in WSMC's 2/21/84 amendment.
June 4, 1984	Receive letter dated 5/31/84 requesting change of 2/21/84 amendment proposal. Will only leach 25,000 tons of Low Grade Ore Heap, modified heap leaching design, reclamation of pond to take place 2-3 years after cessation of mining and after mining areas are reclaimed.

November 5, 1984	Conditional approval of Low Grade Ore Heap. DOGM requests WSMC to reseed all slopes of ore heap.
November 19, 1984	Receive operator response to conditional approval. Address DOGM questions and conditions. Reclamation will proceed as agreed upon after heap leaching is complete.
March 28, 1985	DOGM "Final Approval" of operators 11/14/84 response (Low Grade Ore Heap).
April 24, 1985	MRP Amendment to approved permit to add new 55.7 acres disturbed area consisting of: (1) 29.7 acres minesite, (2) 7 acres access/haul road, (3) 19 acres processing facilities; additional proposed surety estimate of \$41,755. Areas of revision: (a) mine plan, including pit and dump locations, (b) leach pad area and timetable, (c) disturbed area, (d) reclamation schedule.
June 28, 1985	DOGM responds to 4/25/85 amendment request. Deficiencies: (1) need detailed reclamation cost information for new disturbance; (2) subsoil and overburden analyses indicate high sodium levels, may hinder revegetation efforts. Request a plan for handling the additional overburden, volume to be handled, disposal locations, how disposed and final reclamation plan for same; (3) Interim reclamation to include use of final reclamation procedures and seed mixtures to help determine feasibility of final revegetation plan; (4) Soil removal and handling plan to be updated. Soil types to be disturbed, depth and volume to be stockpiled, stockpile locations and redistribution depth upon final reclamation.
July 25, 1985	DOGM letter to WSMC with previous reclamation estimate and bond form enclosed.

August 8, 1985	Operator deficiency response to DOGM 6/28/85 letter. Topsoil only found in leaching areas (0-18" depth), @1245 cu yds for stockpiling. Available stockpile to be placed on leach pads at 4-8" thickness. Any remaining soil to be placed on dumps.
October 11, 1985	DOGM accepts all responses except bond amount. New dollar amount to be \$91,969. Update of original 1983 bond inflated to 1986 dollars. Total bond amount equals \$264,080 (@3.79% escalation factor).
February 3, 1986	DOGM receives reclamation bond of \$264,080.
February 5, 1986	DOGM requests "Exhibit A" legal description to cover the 143.7 acre disturbance.
February 13, 1986	DOGM receives legal description and disturbed area map.
March 24, 1986	Operator requests change in reclamation seed mixture and resolution w/BLM seed mix recommendations.
March 31, 1986	DOGM receives 1985 Annual Operations and Progress Report. Disturbance listed as of 1/1/86 is 183.2 acres. Topsoil salvage estimate and amount actually salvaged - 10,000 cu yds. Volume required for reclamation = 30,000 cu yds. (20,000 cu yd deficiency). Topsoil stockpile relocated to north of heap leach pad #6. A "sand borrow area" regraded and contoured = 11.4 acres. Not topsoiled or reseeded.
June 2, 1986	DOGM sends new revegetation seed mix to operator.
May 11, 1987	DOGM receives 1986 Annual Operations Report. Disturbed area still listed as 183.2 acres. Indicates 11.4 acre area reclaimed in 1985.
December 4, 1987	DOGM letter requesting completion of enclosed annual report.

February 19, 1988	DOGM receives 1987 Annual Operations Report. No mining took place, only leaching, exploration and evaluation of satellite ore bodies.
July 13, 1988	File memo regarding site inspection of WSMC's exploration work at the Sadie and Mizpah Claims. JMC intends to mine at these exploration sites.
July 14, 1988	DOGM receives NOI for Alto/Ibex Mines from JMC Mining Co. Included a request to expand extent of Northridge Pit and to drive an underground decline in bottom of south pit at Drum Mine.
July 15, 1988	File memo regarding Drum mine site inspection performed 7/12/88. WSMC discontinued mining but continues to run the ten heaps. JMC is in the process of acquiring the site from WSMC. Approximately 37,000 cy of topsoil were to have been salvaged by this point in time. Less than 2,000 cy of topsoil have been stockpiled. JMC was informed of this topsoil deficiency and of acquired responsibility for reclamation of the site when the permit is transferred.
October 13, 1988	File memo regarding site inspection of the Drum mine and Alto/Ibex mine sites. At this time, JMC has not pursued the necessary permits from the BLM or the State Department of Health for their new operations. JMC indicated they had responded to the Department of State Health's Cessation Order brought about by noncompliance with the approved permit, while WSMC was operating the site. Apparently, WSMC neglected to follow through with the permitting work when they added a series of new heap leach pads to the operation. BWPC indicated to DOGM on 10/12/88 that they had not received or reviewed a NOI for JMC's proposal, but they had been working on JMC's response to the Cessation Order.

October 24, 1988	DOGM receives copy of JMC's response to State Health's 7/14/88 letter on Drum mine deficiencies. Also receive copy of 8 1/2 x 11 xeroxed copy of "Drum Mine Heap Plan" (Figure 1), as-built drawing.
October 24, 1988	DOGM receives State Health's 7/21/88 response to JMC regarding the status of WSMC's Drum mine. The Drum mine has ten heap leach pads, six of which were constructed without obtaining a construction permit from BWPC. JMC's mine activity would be acceptable to BWPC provided that activities are limited to these leach pads having construction permits and that plans and specifications defining the proposed project are submitted and approved.
October 24, 1988	Letter from WSMC informing DOGM of the 10/12/88 sale of the Drum mine, ACT/027/007 to Asoma, Inc. (d.b.a. JMC). Asoma will be taking over the permit and reclamation obligation.
December 6, 1988	DOGM sends technical review deficiency letter to JMC. Includes revised reclamation surety estimate of \$297,000 (1993 dollars) for Drum mine and the new Alto/Ibex Drum Mountain Project.
January 18, 1989	File memo regarding JMC's request by phone for a two-week extension to the 1/15/89 deadline for JMC's response to the Division's 12/6/88 review. The extension was granted.
February 3, 1989	DOGM receives JMC's response to our deficiency letter. Requesting new variances at Drum mine site. Also requesting @\$190,000 reduction in DOGM's surety estimate.
February 14, 1989	DOGM receives Drum mine annual report for 1988.
February 28, 1989	Internal staff memo regarding the topsoil deficiency at the Drum mine and the estimated cost for soil amendments.
March 2, 1989	DOGM receives revised surface facilities/contour map of Drum mine from JMC. Disturbed areas highlighted.

March 10, 1989	DOGM received Dept. of Health's response to JMC's 10/21/88 proposal. Heaps 1-5 may be leached until 10/1/90 and ore may not be placed any higher than 40 feet. BWPC will not consider requests to extend operation of these facilities beyond 10/1/90.
March 14, 1989	File memo regarding JMC site inspection of 3/10/89. The purpose of the inspection was to resolve technical questions regarding the Drum Project permit. The Division's 12/6/88 deficiency letter and JMC's 2/3/89 response letter were discussed.
March 20, 1989	Letter from JMC with a copy of the Solid Waste Plan Approval issued by the Dept. of Health 8/18/83.
March 27, 1989	Internal memo revising topsoil figures in the 2/28/89 memo and present cost estimates for final waste slopes of 2h:1v and 3h:1v.
April 5, 1989	DOGM receives Dept of Health's 3/30/89 letter to JMC authorizing operation of pads 1-5 provided: (1) a proposal for removal of ore from any pad be submitted for review and approval; and (2) cyanide be applied only to ore resting on an approved leach pad.
April 7, 1989	Letter to WSMC in response to their request for permit transfer and release of reclamation surety for the Drum mine. WSMC has not complied with a number of original permit conditions and commitments. DOGM cannot approve the transfer from WSMC to JMC until the following conditions are resolved by WSMC: (1) Topsoil deficiency - replace the deficient topsoil volume or prepare a cost estimate for topsoiling and post surety for this cost; (2) lack of contemporaneous reclamation/test plots - construct these test plots or submit a bond covering the costs to implement these test plots.

April 27, 1989	JMC's response letter to DOGM draft letter of 4/4/89 and teleconference of 4/26/89. (Date received by DOGM unknown). Included with the letter is a division of the Drum mine areas between WSMC and JMC, a copy of JMC's 4/17/89 letter to WSMC and a copy of a Quit Claim Deed dated 10/12/88.
May 4, 1989	DOGM received JMC letter of 5/3/89 with a map showing areas which will and will not be disturbed by JMC.
May 19, 1989	File memo regarding the joint DOGM-BLM site inspection of Drum mine on 5/12/89. No formal commitments or decision were made during this visit.
May 25, 1989	DOGM sent fax copies of technical review of Drum Project conditions of reclamation surety release, and a surety estimate. A 7/12/89 deadline for final resolution of the remaining permitting concerns was given.
June 2, 1989	File memo documenting phone conversation of 5/17/89 with the BLM regarding the Drum mine permitting concerns. In general, the BLM concurs with the Division's position regarding the final reclamation requirements at this site.
June 27, 1989	DOGM receives copy of JMC's 6/16/89 letter to WSMC requesting signature of the enclosed MR-TRL form. Language contained in the agreement between WSMC and Asoma regarding the assignment of any permits relating to the properties is also presented.
June 29, 1989	DOGM received copy of WSMC's 6/27/89 response letter to the Division's 4/7/89 topsoil deficiency letter. WSMC requests an extension of the Division's 6/3/89 deadline to 8/31/89.
June 30, 1989	Letter to WSMC granting a time extension of 8/31/89 to resolve outstanding permitting issues at the Drum mine.

July 10, 1989	DOGM received fax copy of a draft form of the Reclamation Contract (minus pages 3-8) and a pledge plan developed by Texas Commerce as a form of surety for JMC's Drum mine.
July 11, 1989	Division receives completed transfer form for the Drum mine.
July 13, 1989	Package requesting approval of amount and form of reclamation surety and permit transfer of the Drum mine prepared for the Board's 7/27/89 hearing.
July 21, 1989	File memo documenting Drum mine site inspection of 7/13/89 to collect and evaluate soil samples taken from waste materials.
July 26, 1989	Division request for Board concurrence on the amount and form of reclamation surety posted by JMC for the Drum mine.
July 26, 1989	Fax copies of DOGM's conditions of the Drum mine permit transfer sent to JMC.
July 26, 1989	DOGM received fax copy of JMC's pledge plan for surety.
July 31, 1989	DOGM sent fax copy of the 7/26/89 version of the Drum mine map to WSMC and to JMC.
August 3, 1989	DOGM letter to the State Treasurer requesting completion of portions of the reclamation contract form with regard to JMC's reclamation surety arrangements.
August 3, 1989	Received fax copy of assignment page of surety form for JMC.
August 4, 1989	DOGM letter to JMC notifying them of 7/27/89 Board approval of reclamation surety and permit transfer pursuant to the conditions outlined in the signed permit transfer document.

August 30, 1989	DOGM received 8/24/89 letter from WSMC requesting an extension of the 8/31/89 deadline for resolving the differences between JMC and WSMC. The requested extension is for 3 months (11/30/89).
September 8, 1989	DOGM letter to WSMC granting the second extension which lists the deadline as 11/30/89.
September 19, 1989	DOGM letter to WSMC regarding soil sampling and test plots to alleviate the topsoil deficiency at the Drum mine. Soil sampling guidelines and soil parameters to be evaluated are presented.
September 22, 1989	File memo regarding a site inspection of JMC's Alto/Ibex property on this date.
September 28, 1989	DOGM received copy of Dept. of Health's 9/27/89 response letter to JMC regarding approval of further use of the permitted and unpermitted leach pads. The integrity of the pads, performance of the leak detection system, and ground water quality and depth have not been established conclusively.
October 30, 1989	DOGM received copy of Health's 10/25/89 letter responding to JMC's 9/26/89 letter. The only pads with construction permits are those permitted on 5/8/84 and 7/15/84. No documentation submitted to this date has established the nature and quality of construction of pads not covered by the referenced construction permits. Permitted pads may be allowed for use beyond 1990 up to a reasonable period based on the integrity of the liner, the underlying geologic conditions and leak detection system followed by periodic inspection, reviews and reauthorization to use. Unpermitted pads may be authorized for operation based on the conditions outlined in Health's 9/27/89 letter.
November 1, 1989	Received investment resolution from Utah State Trasurer regarding JMC's surety of U. S. Treasury Bills.

November 21, 1989	DOGM received copy of Health's 11/13/89 letter to JMC regarding the proposal made by consultants to evaluate the heap leach pads at the Drum mine. The proposal appears adequate, with the exception of evaluating the capacity of the natural material beneath the heap to adequately support the heap leach pad, so that the liner system will not be compromised.
November 30, 1989	Received State Health's 11/27/89 letter to JMC allowing a 60-day leach test on pads number 7 and 2 subject to five conditions listed. Neutralization criteria for cyanide operations are also included.
December 13, 1989	DOGM received WSMC 12/8/89 letter requesting another extension of the deadline for resolving differences between JMC and WSMC. An agreement is a few weeks away.
December 26, 1989	DOGM received copy of letter from JMC to Dept. of Health notifying them of the startup of sprinkling on the No. 7 Pad with the intention of sprinkling No. 2LG Pad within the next 10 days.
January 3, 1990	DOGM letter to WSMC acknowledging receipt of 12/8/89 extension request letter.
January 5, 1990	Annual report requested by DOGM.
January 12, 1990	DOGM received copy of JMC's 1/9/90 letter of response to the Dept. of Health's 11/27/89 letter. JMC requests clarification of Health's 3/30/89 letter which requests revision of the neutralization criteria.
February 26, 1990	WSMC letter of 2/22/90 to DOGM containing WSMC's concerns: (1) WSMC objects to JMC doing any work on the No. 7 and No. 2LG pads until these areas are transferred from JMC; (2) WSMC has no record of committing to the installation of revegetation test plots. The topsoil deficit is more accurately described by 41,200 cy;

(3) reclamation responsibilities for the mine site areas have to be determined according to the sales contract between WSMC and JMC; (4) the bond posted by JMC does not agree with the requirements in the approved reclamation plan.

February 28, 1990

Registered letter to JMC regarding re-initiation of heap leaching on Pad No. 2LG and No. 7. The Division cannot permit leaching operations on these pads until WSMC provides written notification allowing JMC to use these facilities.

March 5, 1990

DOGM received JMC's 2/27/90 Notice of Intent to Revise Operations by including the Mizpah Pit. This expansion will disturb approximately 21 acres over an estimated 3 year mine life. Ore will be processed at the existing facilities.

March 19, 1990

DOGM received copy of JMC's fax message in response to BWPC's 3/12/90 letter. Pads 2, 3, and 4-5 will be used until 10/90. Heaps No. 7 and 2LG will begin sprinkling as soon as weather permits and a relogging of the test wells has been completed.

March 22, 1990

DOGM received copy of JMC's 3/20/90 letter in response to the BWPC 3/15/90 letter. JMC requests a variance to allow the upper limit of neutralization pH from 7.5 to 8.5 and enclose documentation in support of this.

April 23, 1990

DOGM letter to JMC notifying them that the NOI to revise for the Mizpah Pit Development is incomplete. A form indicating the areas/regulations in which the Notice is deficient is enclosed.

April 30, 1990

BWPC letter of 4/27/90 to JMC requesting lab results and a map showing locations of the monitoring wells which contained cyanide (as reported to BWPC at 3/28/90 site inspection).

- May 17, 1990 DOGM received copy of BLM's 5/15/90 letter to JMC regarding review of the amendment to the Mizpah Pit Plan of Operations. An Environmental Assessment has been prepared and is enclosed. Mitigative measures include fencing the area, recontouring waste dumps and highwalls to a slope of 3:1 or less, salvaging soils identified by the BLM, suppressing dust on haul roads. This amendment is approved, provided the mitigative measures are implemented by JMC.
- May 18, 1990 DOGM received copy of 5/17/90 letter from Health to JMC acknowledging that the acceptable pH range after neutralization could be between 7.5 to 8.5. Health requests information be submitted regarding the number and spacing of tests to verify heap leach pad neutralization.
- May 23, 1990 DOGM receives letter from WSMC which contains analytical results of composite soil samples taken from various areas at Drum Mine in response to DOGM directive to develop revegetation test plots.
- May 25, 1990 WSMC letter to DOGM regarding JMC's unauthorized leaching of ore. JMC's stated intention to test pads 7HG and 2LG is admission that these pads were transferred to JMC in the sales agreement and that JMC is responsible for their reclamation. Test leaching should be prohibited until JMC files a reclamation bond and receives an approved NOI, and WSMC's bond is released. Leaching of these pads without an approved NOI is a violation of the Mined Land Reclamation Act and WSMC expects DOGM to prevent that activity.
- May 30, 1990 DOGM receives fax copy of 2/28/90 letter from law firm of Clyde, Pratt and Snow to JMC regarding topsoil issue at the Drum site. WSMC was sent a letter describing the terms under which JMC would resolve the surface reclamation issue. If WSMC would remedy the topsoil deficit, JMC would assume the full reclamation burden thereafter.

May 30, 1990	Fax copy of letter to DOGM on this date from JMC. JMC feels WSMC's 5/25/90 objection to leaching pads No. 2LG and No. 7 nearly three months after the 2/28/90 DOGM letter (allowing leaching if WSMC does not object) is unreasonable. If, by means of these tests, JMC is able to obtain BWPC approval for these heaps, JMC would then establish reclamation bonding as detailed in the 7/13/89 memo to DOGM.
May 31, 1990	DOGM letter to JMC regarding 5/30/90 fax, discussing start-up of 60-day heap leach tests for pads No. 2LG and No. 7. These pads are still permitted by WSMC and their use by JMC cannot be approved until WSMC grants that approval.
June 4, 1990	DOGM received copy of 5/30/90 JMC response letter to BWPC submitting information requested prior to leak testing heaps 7 and 2LG. Information presented included: (1) maps and sketches of the ditching and diking effort; (2) a description of the natural diversion barriers north of Pad 3LG; and (3) a description of storm drainage conveyance from the area north of pads 3HG and 6 with a topographical map included.
June 4, 1990	DOGM received copy of 5/31/90 JMC response letter to BWPC describing the number and spacing of tests to verify heap leach pad neutralization. The proposed plan calls for continuous circulation of solutions within a pH range of 7.5-8.5 with daily sampling of these solutions. When these solutions meet the specified pH and cyanide for at least three consecutive days, the neutralization will be considered complete.
June 5, 1990	DOGM received copy of BWPC 6/4/90 letter to JMC reiterating the 4/27/90 request for a map showing well locations, lab testing results, and any other information regarding pollutants in the monitoring well system. (3/28/90 site inspection indicated cyanide in two monitoring wells).

June 7, 1990	DOGM received copy of 6/1/90 JMC response to BWPC's 4/27/90 letter. A map of the well locations, lab testing results and additional information regarding pollutants in the monitoring wells is provided. JMC presents their theory of contamination mechanisms and sources.
June 7, 1990	DOGM received copy of JMC's 6/7/90 Notice of Appeal to the BLM regarding the Mizpah Pit Plan of Operations. JMC wishes to appeal the decision requiring pit highwalls to be recontoured to 3:1 slopes.
June 25, 1990	DOGM receives 6/22/90 letter from JMC regarding the 60-day heap leach test required by BWPC. JMC has not been able to obtain permission from WSMC to test the heaps under WSMC's reclamation bonding and now wishes to amend their MRP and increase the bond posted to include the heaps.
June 25, 1990	DOGM receives copy of 6/22/90 JMC letter to Health regarding the agenda for the 6/25/90 meeting. Main topics in the letter are: (1) new heap permit application; (2) operating permits for existing heaps No. 2LG and No. 7; (3) extension of operating permits for heaps 1, 2, and 3; and (4) further testing on heap 4-5.
June 25, 1990	DOGM received response letter from JMC addressing the Mizpah Project deficiencies mentioned in the 4/23/90 DOGM response.
July 5, 1990	DOGM received a map of "previously disturbed areas" from JMC which was omitted from the 6/25/90 Mizpah submission.
July 5, 1990	File memo regarding 6/25/90 meeting between DOGM, BWPC and JMC to discuss groundwater contamination concerns at the Drum mine. Two levels of cyanide contamination were found in proximity of the active heap leach pads. BWPC has requested further testing in the area in order to better characterize the groundwater configuration

before making a final decision. BWPC has given JMC permission to test heaps 7 and 2LG. DOGM will not allow JMC to leach these dumps without assuming reclamation responsibilities. JMC has committed to bond and submit reclamation forms for these heaps and has already submitted a reclamation estimate for these heaps for Division review.

July 5, 1990

DOGM received copy of 5/17/90 letter from the Nevada Division of Environmental Protection to JMC regarding the enclosed finding or alleged violation and order issued.

July 12, 1990

Registered letter to JMC regarding their proposal for amending the Drum mine Mining and Reclamation Plan and Reclamation Surety to include the heap leach pads No. 2LG and No. 7. The permit transfer document will need to be revised and signed by both JMC and WSMC and the reclamation surety will need to be updated. The amount and form of surety will need to be formally approved by the Board.

July 17, 1990

DOGM received copy of 7/2/90 BWPC letter in response to JMC's 6/1/90 submission. More test holes are needed to determine the cyanide source. The 4 approved pads may be leached only until 10/1/90. DOGM has not yet approved of testing these heaps because the bonding requirements have not been resolved.

July 18, 1990

Internal memo regarding staff review of Mizpah Pit NOI.

July 20, 1990

DOGM sent JMC fax copy of draft reclamation estimate for review and possibly increase the surety posted by the same, if JMC concurs with the estimate.

July 25, 1990

Received JMC letter dated 7/23/90 informing DOGM of JMC's intent to increase the Reclamation Surety by the suggested amount of \$24,100. Enclosed are a revised form MR-TRL, a notarized "Final Sworn Statement of Transferee" and a copy of the transmittal letter to WSMC requesting signature of the new forms.

July 30, 1990	Internal memo regarding staff review of Mizpah Pit NOI and a reclamation surety estimate.
August 1, 1990	Received letter dated 7/27/90 from the State Treasurer, certifying deposit by JMC of cash or securities valued at \$183,032.
August 13, 1990	DOGM receives fax copy of WSMC's attorney's letter of 8/10/90, in response to JMC's 7/26/90 letter and copy of the acknowledgement letter from JMC's attorney. Piecemeal transfer of permits is not acceptable to WSMC. WSMC sold the Drum Project to JMC "as-is" and insists JMC assume all reclamation obligations associated with the Drum Project.
August 24, 1990	Received copy of 8/24/90 letter from JMC's attorney to WSMC's attorney. Assuming responsibility for the replacement of topsoil at the Drum site is not acceptable to JMC. JMC will assume responsibility for the topsoil, provided WSMC pays JMC for the cost of procuring and transporting the topsoil.
August 29, 1990	DOGM received copy of BLM 8/27/90 decision on JMC's appeal. BLM will allow the Mizpah Project pit highwalls to be at slope angles greater than 3:1 at final reclamation.
September 6, 1990	DOGM review of the Mizpah Pit sent to JMC. The reclamation surety estimate incorporates the recent BLM decision.
September 12, 1990	Received letter from JMC to BWPC dated 9/7/90. JMC requests permission to leach heaps 1, 2, 3 and 4-5 for the balance of this season (probably mid-December).
September 14, 1990	Received letter from JMC dated 9/4/90 requesting an informal hearing to resolve matters at the Drum mine. A statement of facts and reasons forming the basis for relief or action is included.

September 17, 1990	Received copy of 9/11/90 BWPC letter to JMC regarding the 8/13/90 inspection of flood diversion facilities. The diversion facilities are approved.
September 18, 1990	Received copy of 9/7/90 BWPC letter to JMC regarding a 8/10/90 possible proposal for a new heap leach pad. Permitting requirements and general observations are offered to assist JMC in making a decision regarding construction of a new pad.
September 19, 1990	Received copy of 9/17/90 BWPC letter to JMC reaffirming the decision to allow leaching of the permitted heaps only until 10/1/90.
September 24, 1990	Received letter of this date from JMC's attorneys regarding clarification of the 9/4/90 Request for Agency Action. JMC has amended the Drum mine MRP to include heaps 2LG and 7 and posted bond for these heaps as specified in the Division's 5/31/90 letter. WSMC has refused to sign the transfer request unless JMC accepts full reclamation responsibility (i.e. the topsoil deficit in addition to the heaps). Prompt action on the Request for Agency Action is requested.
October 4, 1990	Sent certified letter to JMC's attorney stating that the Division denies the permit change until evidence of JMC's right-of-entry for the area in question is received. Suggestions for procedures to request an informal hearing are offered.
October 19, 1990	Received petition for commencement of informal proceedings to review the Division's denial of permit amendment for the Drum mine [8 page document]. Additional copy received 10/22/90.
October 19, 1990	Requests for publication of Notice of Informal Hearing sent out.

October 29, 1990	Received objection to petition for commencement of informal proceedings filed by WSMC's attorneys (Davis, Graham & Stubbs). WSMC objects to JMC's petition because it would require the Division to adjudicate issues which are involved in a lawsuit between WSMC and JMC which is now pending in the District Court of Jefferson County, Colorado. WSMC requests permission to participate in the informal hearing.
October 29, 1990	Received copy of documents served with a summons dated 10/24/90 in Jefferson District Court, Colorado. The document lists WSMC as the plaintiff and ASOMA, Inc. (JMC an unincorporated association).
October 29, 1990	Received 10/26/90 letter from the BLM petitioning the Division for the right to participate in the informal hearing requested by JMC. Much of JMC's operation takes place on land administered by the BLM.
November 7, 1990	DOGM receives written response from Clyde, Pratt & Snow (JMC Attorneys) to WSMC's 10/29/90 objection for commencement of informal hearing. JMC only asking DOGM permission to conduct leak test on existing heaps, not adjudicate the contract dispute between the parties.
November 30, 1990	Informal hearing before the Division between WSMC and JMC. WSMC submits an "addendum" to its earlier "Objection to Petition for Commencement of Informal Proceedings" at the hearing. Issues addressed: whether the "test" leach proposed by JMC constitutes a "mining activity", and whether DOGM staff acted properly in determining that said action does constitute mining activity. Also at issue was the question of whether JMC must acquire WSMC's formal written permission to conduct the leach tests on heaps #LG2 & HG7, and transfer of the reclamation responsibility.
December 6, 1990	DOGM receives written reply from JMC's attorney's formally responding to WSMC's 11/30/90 "addendum" which was presented at the 11/30/90 informal hearing.

December 17, 1990	DOGM receives copy of BLM letter to JMC regarding the results and concerns of their November 16, 1990 mine site inspection. Concerns over underground storage tanks meeting state certification requirements, general housekeeping at the mine facility, proper disposal of trash at approved landfill, etc. Also determined that 8300 cubic yards of soil resources is available for stockpiling at the proposed Mizpah Pit area.
January 14, 1991	DOGM transmits the Division Order in response to the 11/30/90 informal hearing. Order reaffirms and supports DOGM's earlier decision to deny JMC's request to conduct leak tests on Heaps LG2 & HG7. JMC is not permitted to conduct "mining operations" on Heaps LG2 & HG7. January 24, 1991 deadline for appeal of Order.
January 24, 1991	DOGM receives appeal of Division Order from JMC's attorney. Formal "Petition for Commencement of Proceedings Before the Board of Oil, Gas and Mining to Review Division Order" filed.
February 8, 1991	DOGM receives formal response to JMC's petition from WSMC's attorneys. WSMC seeks to participate as a respondent in the proceedings, and requests that the Board deny JMC's petition and affirm the Division Order.
March 8, 1991	DOGM receives "Ex Parte Motion for Extension of Time to File Memorandum of Points and Authorities and Order" from WSMC's attorneys in response to JMC's 1/24/91 petition.
March 8, 1991	DOGM publishes notice of March 28, 1991, Board Hearing to hear JMC's Petition of the Division's 1/14/91 Order.
March 11, 1991	Board Chairman signs Order granting WSMC an extension of time to file its memorandum of points and authorities until 3/15/91.

March 11, 1991	Memorandum to Board from Wayne Hedberg providing support documentation/regulatory basis for Division's position and denial of JMC's permit amendment request (test leach).
March 15, 1991	DOGM receives WSMC's formal Memorandum of Points and Authorities in opposition to JMC's petition for formal hearing.
March 15, 1991	DOGM receives permit amendment application from JMC to construct a new heap leach pad at the Drum Mine.
March 28, 1991	Board Hearing conducted wherein JMC's 1/24/91 petition is heard. WSMC also presents arguments in response to JMC's testimony.
March 28, 1991	DOGM receives copy of letter to JMC from the State Bureau of Water Pollution Control regarding their review of JMC's amended Ground Water Discharge Permit Application. Review indicates perched aquifer has elevated levels of chlorine and cyanide detected in three monitoring wells in area. Complete investigation into extent of contamination again requested by BWPC, and closure plans for leach pads.
April 15, 1991	DOGM notifies JMC in writing that due to backlog of permit applications, we cannot meet 30-day time period for review of their March 15, 1991 amendment application.
April 19, 1991	Board Order signed by chairman and issued to JMC based upon findings of testimony given during the 3/28/91 Board hearing. JMC's request to conduct heap leach tests is denied. WSMC's written consent is a statutory prerequisite to the permit transfer thereby allowing heap leach tests to be conducted.
April 24, 1991	DOGM receives JMC's "Petition for Commencement of Formal Agency Adjudicative Proceedings Requesting Agency Action to Reclaim Property and to Forfeit WSMC's Reclamation Surety Bond".

May 14, 1991 DOGM receives WSMC's "Request for Dismissal, Without Hearing, of Jumbo's Second Petition for INTER ALIA, Commencement of Formal Adjudicative Proceedings" before the Board.

May 20, 1991 DOGM receives JMC's "Petitioner's Response to WSMC's Motion to Dismiss Petitioner's Request for Agency Action and to Commence a Formal Adjudicative Proceeding".

May 30, 1991 DOGM sends letter to WSMC regarding our evaluation of the soil analyses submitted by WSMC for use as substitute soil material and for use on revegetation test plots. Some of the waste dump material could be used as substitute soil material, most of the sampled materials were determined inadequate. Request establishment of meeting with WSMC and DOGM to discuss development of a revegetation/topsoil redistribution plan, contact DOGM by June 30, 1991.

June 10, 1991 DOGM receives WSMC's written response to DOGM's 5/30/91 soil analysis letter. WSMC suggests scheduling a meeting in July or August to discuss the soil analysis issue and the need for additional testing. They hope to have new environmental coordinator onboard by then to replace Frank Filas.

June 10, 1991 Board Chairman signs Order denying WSMC's motion to dismiss JMC's second petition. Petition to be heard during the June 27, 1991 scheduled Board hearing.

June 21, 1991 Memorandum to File from Wayne Hedberg. Documents telephone conversation with BWPC staff regarding ground water contamination at Drum Mine. Can DOGM reclamation bond be used to clean up or mitigate contamination? Discussions with DOGM Director regarding subject matter results in direction to temporarily suspend completion of DOGM review of new heap leach permit application. Director can contact BWPC and resolve questions to DOGM's satisfaction. *until*

June 28, 1991	Board Hearing is conducted wherein JMC presents testimony regarding its 4/24/91 petition which seeks Agency Action requiring WSMC bond forfeiture and reclamation. WSMC presents its defense testimony in response to petition.
July 1, 1991	DOGM receives copy of letter to JMC from BWPC regarding their review of latest conceptual design report for new heap leach pad, additional ground water quality from site, and conceptual closure plans. Contamination of perched aquifer under site evident by elevated levels of cyanide, arsenic and other metals. Violation of Utah Water Pollution Control Act. JMC to take immediate action to contain contamination and prevent its movement toward other waters and develop a corrective action plan.
July 17, 1991	DOGM forwards 8 page deficiency review to JMC on their new heap leach pad permit application.
July 23, 1991	Board Chairman signs Order denying JMC's petition for commencement of formal proceedings and for forfeiture of WSMC's reclamation bond.
July 25, 1991	DOGM receives copy of letter to Utah Division of Water Quality from WSMC's attorney in response to DWQ's 7/8/91 letter regarding WSMC's position on ground water contamination issue at Drum Mine. WSMC does not believe they are legally liable for any contamination at Drum Mine.
August 6, 1991	Joint DOGM/BLM site inspection. Evaluation of mine status. No active leaching occurring. Heap's 2 & 7 were authorized by DEQ for use, but WSMC who holds reclamation responsibility refuses to allow JMC to leach same.
August 14, 1991	DWQ sends letter to JMC regarding their review of operator's new heap leach pad proposal.

August 19, 1991	DOGM receives copy of DWQ letter to JMC regarding their receipt of WSMC's response on ground water contamination issue at Drum Mine. DWQ's position is that both parties are potentially responsible parties. Apportionment of liability is issue between JMC and WSMC. Request JMC provide a plan and timetable for remediation within 30 days.
September 24, 1991	D. Wayne Hedberg gives deposition to JMC/Asoma(Utah) Inc. & WSMC in offices of Clyde, Pratt and Snow (SLC, Utah) as support for upcoming trial in Colorado between the two company's.
September 25, 1991	DWQ response letter to Dave Hartshorn of JMC regarding operator's preliminary plan for monitoring and containing the contaminated perched aquifer at the mine site. More information requested to clarify plan deficiencies.
September 30, 1991	DOGM sends formal written response to attorneys for JMC and WSMC regarding outstanding questions asked during D. Wayne Hedberg's 9/24/91 deposition.
October 8, 1991	DOGM receives JMC response letters to our September 6, 1990 Mizpah Pit plan review, and our July 17, 1991 review of JMC's new heap leach pad permit application.
November 25, 1991	DOGM receives from the BLM, a copy of JMC's 9/11/91 response to BLM deficiency review of new heap leach pad proposal.
December 5, 1991	DOGM receives copy of BLM letter to JMC requesting an estimate of reclamation costs for their mining operation at the Drum mine. Letter also requests DOGM to provide copy of its bond determination to BLM for this property.
December 12, 1991	DOGM receives copy of JMC's 12/9/91 letter to BLM responding to BLM's 12/5/91 bonding request.

December 23, 1991	DOGM receives copy of DWQ's response to JMC regarding their evaluation of JMC's comments on process pond leakage testing. DWQ requests that JMC bring existing process ponds up to current BAT's. Reconstruction with a double liner is directed and further clarification on monitoring holes below the ponds.
December 27, 1991	DOGM receives copy of BLM's latest review of JMC's 9/11/91 response to previous deficiencies found in BLM's review of new heap leach pad permit application.
January 10, 1992	DOGM receives copy of DWQ's notification to JMC of completion of preliminary draft Ground Water Discharge Permit for the new leach pad. Construction Permit still required (demonstrating BAT achieved in pad design) before DWQ will solicit public comment on Draft GWD Permit.
January 10, 1992	DOGM receives copy of BLM (1/8/92) letter to JMC regarding acceptance of interception trench proposal as means of mitigating contaminated perched aquifer problem at site. BLM had previously requested groundwater monitoring well construction.
January 14, 1992	DOGM sends second technical review letter to JMC regarding Mizpah Pit Development & New Heap Leach Pad permit amendments.
January 24, 1992	DOGM receives JMC's 1991 annual report for Drum Mine.
February 13, 1992	DOGM receives copy of JMC's (2/7/92) technical response to BLM's (12/24/91) deficiency review of new heap leach pad proposal.
March 9, 1992	DOGM receives copy of DWQ's (3/4/92) technical review to JMC regarding the process ponds at Drum Mine. DWQ wants ponds replaced or appropriately upgraded to demonstrate compliance with current performance/regulatory standards.

March 30, 1992	DOGM receives JMC's (3/25/92) response to our 1/14/92 second technical review of Mizpah Pit & New Heap Leach Pad permit amendments.
May 12, 1992	DOGM receives copy of DWQ's (5/13/92) letter to Tetra Tech, Inc. (JMC's consultant) regarding their 3/30/92 meeting/discussions on new heap leach pad and process ponds.
June 15, 1992	DOGM receives copy of BLM's (6/12/92) technical review of JMC's (2/7/92) response regarding new heap leach pad amendment (plan still deficient).
July 9, 1992	BLM field inspection conducted of Drum Mine (partial inspection). Mine remains in an inactive state. Mr. Jim Bettridge was caretaker at mine during BLM visit.
July 10, 1992	DOGM receives copy of DWQ's latest (7/9/92) letter to Tetra Tech, Inc. (JMC's consultant) regarding the proposed QA/QC manual for the new heap leach facility (found deficient).
August 3, 1992	DOGM sends <u>conditional</u> tentative approval letter to JMC for the Mizpah Pit & New Heap Leach Pad permit amendments.
September 24, 1992	DOGM receives copy of BLM Cyanide Advisory Board review comments regarding JMC's New Heap Leach Pad proposal (deficient).
March 15, 1993	DOGM receives letter from Morrison & Foerster (WSMC Attorneys) requesting release of WSMC's reclamation surety. Preliminary trial judgement was in favor of WSMC (final ruling/judgement still pending). WSMC requests DOGM now require Asoma to replace WSMC's bond with its own.

Page 20
Chronology
Jumbo Mining Company
M/027/007

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March 29, 1993	Letter from Mr. Rex Rowley to Mr. Edward King regarding the BLM Cyanide Advisory Board's review of the Buffalo Gulch project.
April 21, 1993	Site inspection memo from D. Wayne Hedberg to file regarding the visit to the site that included Lowell Braxton, Tom Mitchell, Wayne Hedberg, DOGM; Rody Cox, BLM; and Dave Hartshorn, JMC. Purpose of the visit was an evaluation of the current operational state and site familiarization for DOGM management and legal counsel.
April 27, 1993	Letter from Mr. Lowell Braxton to Mr. Alfors, legal counsel for WSMC, regarding Reclamation Surety concerns. The letter stated

February 8, 1995	Letter from Mr. Ed King to Mr. Hedberg regarding the resolution of the deficient topsoil and bonding issues at the Drum Mine.
February 8, 1995	Faxed February 8,1995, letter to Rody Cox of the Warm Springs BLM RA.
February 21, 1995	Letter to Mr. Ed King regarding a March 9,1995, joint DOGM/BLM meeting with Mr. David Hartshorn of Jumbo Mining to evaluate the topsoil borrow areas and discuss bonding provisions outlined in the February 8,1995, letter from Mr. Ed King.